

EXECUTIVE CHAMBERS

HONOLULU

July 13, 2004

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 2281

Honorable Members  
Twenty-Second Legislature  
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 2281, entitled "A Bill for an Act Relating to the High Technology Development Corporation."

The purpose of this bill is to allow the High Technology Development Corporation to deposit certain rents and fees received from its operations into a private trust account outside of the state treasury under the control of the High Technology Development Corporation. In addition, this bill repeals the \$3,000,000 cap on the fiscal-year-end balance of the High Technology Special Fund.

The establishment of a private trust account outside of the state treasury under the control of the High Technology Development Corporation is objectionable.

I am concerned about the fiscal accountability of receipts and disbursements of the private trust account. Since such activity would not be processed through the state treasury, the private trust account would not be subject to the supervision of the Department of Accounting and General Services to ensure the proper recording and expenditure of such moneys. The High Technology Development Corporation would have to develop internal controls to safeguard such moneys against potential abuse or wrong use. Because the state treasury can handle such moneys in an expeditious manner, I believe that the creation of a private trust account outside of the state treasury for the High Technology Development Corporation is not necessary.

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For the foregoing reasons, I am returning Senate Bill  
No. 2281 without my approval.

Respectfully,

LINDA LINGLE  
Governor of Hawaii